The British-controlled George Weston has called on the federal government to protect Australia's 'food bowl' from mining and development.

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MULTINATIONAL food producers have demanded a mining ban on farmland and criticised foreign takeovers of agribusiness, as Australia's food imports surge.

The British-controlled George Weston -- whose household brands include Tip Top, Big Ben and KR Castlemaine -- has called on the federal government to protect Australia's "food bowl" from mining and development.

It cites a "rock versus crop" debate, with mining companies "taking over agricultural lands, reducing our ability to grow food for domestic and overseas consumption".

"We also need to protect incursions by mining interests or land development into prime arable land, including land on the fringes of major cities that are the food bowls of our cities," the company says in its submission to the federal government's preparation of the first National Food Plan.

The US-controlled Simplot -- which owns the Edgell, Birds Eye and John West brands -- also attacks the "loss of prime farmland to foreign ownership" and the "loss of our most productive land to urban sprawl and minerals/mining".

Simplot wants to "protect prime productive land from urbanisation", and has called for tighter controls over foreign investment.

It also wants the government to axe tax incentives for forestry on arable land, so it is used for crops instead.

"The selling off of Australia's farmland and food production to foreign interests is a risk," it says.

"The government should look at lowering the transaction limits for foreign investments, which would trigger a review by the Foreign Investment Review Board, and formulate a range of considerations before allowing a sale."

The Weekend Australian revealed that Australia had lost 89 million hectares of farmland to urban sprawl, forestry plantations, national parks and mining leases in the past 26 years.

Foreigners almost doubled their stake in Australian farms in the same period.
They currently own or part-own 11.3 per cent of the nation's farmland.

SPC Ardmona -- part of the Coca Cola group, which recently moved its Australian beetroot and tomato sauce factories to New Zealand -- has warned the Food Plan inquiry that "our local food chain is becoming uncompetitive".

"Many Australian-produced products are disappearing off the supermarket shelves as the retail prices cannot compete with cheap imported products from countries that may have lower production costs or may be subsidised by their governments," it says.

Australia's food and beverage imports have surged 26 per cent in the past five years to $10.7bn while exports have fallen 14 per cent to $17.4m.

George Weston also warns of the "significant threat" that Australia's production of non-perishable foods will shift to Asia, in the same way that Britain lost much of its production to eastern Europe.

Australia's food industry is being "hollowed out", it says, as the high Australian dollar and the cost of high wages and red tape render it uncompetitive.

"Australia is becoming a 'branch office' of multinationals that will make hard decisions to pull out altogether if returns are not available," it says.